

PRESS RELEASE

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Vornado's operating results for the six months ended June 30, 1999.

SADDLE BROOK, NEW JERSEY.....VORNADO REALTY TRUST (NYSE:VNO) today reported that funds from operations for the quarter ended June 30, 1999 were \$75.0 million, or \$.78 per diluted share, compared to \$54.8 million, or \$.65 per diluted share, for the quarter ended June 30, 1998. Net income applicable to common shares for the quarter ended June 30, 1999 was \$43.6 million, or \$.50 per diluted share, versus \$30.9 million, or \$.37 per diluted share, for the quarter ended June 30, 1998.

Funds from operations for the six months ended June 30, 1999 were \$140.4 million, or \$1.53 per diluted share, compared to \$99.2 million, or \$1.25 per diluted share, for the prior year's period. Net income applicable to common shares for the six months ended June 30, 1999 was \$86.9 million, or \$1.00 per diluted share, versus \$57.0 million, or \$.72 per diluted share, for the prior year's period.

Vornado Realty Trust is a fully-integrated equity real estate investment trust.

VORNADO REALTY TRUST

OPERATING RESULTS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 1999

(amounts in thousands, except per share amounts)	<u>For the Three Months Ended</u>	
	<u>June 30, 1999</u>	<u>June 30, 1998</u>
Revenues	<u>\$ 166,188</u>	<u>\$ 128,523</u>
Net income	\$ 52,026	\$ 36,316
Preferred stock dividends	<u>(8,381)</u>	<u>(5,422)</u>
Net income applicable to common shares	<u>\$ 43,645</u>	<u>\$ 30,894</u>
Funds from operations	<u>\$ 74,987</u>	<u>\$ 54,752</u>
Per Common Share:		
Net income:		
Basic	<u>\$.51</u>	<u>\$.38</u>
Diluted	<u>\$.50</u>	<u>\$.37</u>
Average number of common shares and share equivalents outstanding	<u>87,823,020</u>	<u>84,244,441</u>
Funds from operations	<u>\$.78</u>	<u>\$.65</u>
Average number of common shares and share equivalents outstanding used for determining funds from operations per share	<u>95,841,348</u>	<u>84,244,441</u>
	<u>For the Six Months Ended</u>	
(amounts in thousands, except per share amounts)	<u>June 30, 1999</u>	<u>June 30, 1998</u>
Revenues	<u>\$ 329,752</u>	<u>\$ 218,734</u>
Net income	\$ 100,954	\$ 67,803
Preferred stock dividends	<u>(14,093)</u>	<u>(10,845)</u>
Net income applicable to common shares	<u>\$ 86,861</u>	<u>\$ 56,958</u>
Funds from operations	<u>\$ 140,414</u>	<u>\$ 99,181</u>
Per Common Share:		
Net income:		
Basic	<u>\$ 1.02</u>	<u>\$.74</u>
Diluted	<u>\$ 1.00</u>	<u>\$.72</u>
Average number of common shares and share equivalents		

outstanding	<u>87,244,954</u>	<u>79,483,381</u>
Funds from operations	\$ <u>1.53</u>	\$ <u>1.25</u>
Average number of common shares and share equivalents outstanding used for determining funds from operations per share	<u>91,254,118</u>	<u>79,483,381</u>